

Mayor Rawlings-Blake  
Board of Estimates Remarks regarding  
Phone Contract  
*Wednesday, July 11, 2012 9:00am*

Setting the Record Straight:

- Good morning.
- This is an important issue for the City and it deserves a clear and concise discussion.
- Unfortunately, to date, the issue of upgrading the City's technology to a Voice-over-IP system has been the subject of media attention and misinformation. I want to present the facts

- Fact:
  - It was alleged and reported that the City spent more than \$650,000 on \$1000 video phones.
  - .
  - In reality, the City bought 6 video phones for a grand total of 33 hundred dollars (\$3,300).

- It was alleged and reported that the City's procurement process was compromised and that laws were broken.
  - The truth is the procurement of equipment was “neither out of the ordinary nor in violation of law.”
- It was alleged and reported that the administration violated the City Charter and usurped the general powers of the Comptroller's Office.

There has been no violation of the City Charter.

- It was alleged and reported that contractors steered the purchase of network equipment—

- When in reality, documents show the individuals requesting and approving the purchases were City Employees, NOT contractors.
- Finally, it was alleged and reported that the technology purchases were made under a “no-bid contract”.
  - Not true
- The contract was competitively-bid, receiving 14 bidders.
- And, the equipment purchased has been installed and is supporting thousands of desktop computers in over 20 city agencies, increasing network speeds and employee productivity.

## **(Pause)**

Upgrading the City's technology systems in order to save taxpayer dollars and make the City more efficient is an important discussion.

- And when we discuss the issue here at the Board of Estimates or in the media, the focus should be on protecting the citizens of Baltimore through collaboration to make sure city government is operating efficiently.
- To date the discussion has been unproductive and a convenient distraction to the really important issue at hand.

## **Understanding Real Issue**

- The important question is NOT whether the city spent 33 hundred dollars on 6 video phones nearly a year ago.
- The real question is whether or not the City should now spend over \$7 million dollars on this contract before us today and who should be involved in implementation of this significant technology upgrade.

***[The following are questions]***

- Is going along with this multimillion dollar contract the most effective use of our tax dollars?
- Has there been enough cooperation and collaboration between the Comptroller's Office and the City's Technology Office—
  - To ensure that the contract meets the City's technology needs?
- Does the Municipal Telephone Exchange—who has does not have the experience to manage the City's data network—have the technical capacity to provide sufficient oversight of this

contract? Or should we not ensure the City's IT Department which has the technical capacity and experience be involved in the process?

- Has Voice Over IP ever been implemented in a government agency anywhere in the country without the direct oversight of the government's technology office?
- Finally, is this contract before us today, the best, fastest and cheapest way to upgrade the City's phone system?
- I believe the questions require further discussion and collaboration to move this City forward



## **[Look at Council President]**

- I've served on this Board since 2007 when I was City Council President.
- And, I can tell you that even then, I would not vote to approve a multimillion dollar contract if I thought there may be a way for the City to do it better, faster and cheaper and in spirit of cooperation and efficiency.

## **A Smarter Way Forward:**

I am voting “no” on the contract as currently proposed today. I am voting no as to the award pursuant to the RFP. *(This bullet is recommended by Law Dept – so you can bring contract back without new RFP if MOU signed)*

- Moving forward, our City’s technology professionals have advised that we can implement modern telephone system with less outsourcing, in less time, and with less cost.
  - We must fully evaluate that advice before approving an almost \$8 million dollar contract with an outside firm.
  - The taxpayers of Baltimore deserve no less.

- The City's new Chief Information Technology Officer starts this month and I would like for him to have the opportunity to review and understand the scope and terms of the contract and make recommendations regarding the City's options for upgrading to Voice over IP Technology.
- And, I will continue to work to ensure that the Technology Office and the Comptroller's Office seek more collaboration and cooperation on this project together to ensure we are all satisfied we have the most efficient and cost effective solution.
- The Citizens of Baltimore deserve cooperative and responsible governing.

- And that's what I'm committed to achieving.
- I am hopeful that conversations between these offices in the coming weeks can lead to a collaborative MOU between the City's Technology Office and the Comptroller's office.
- The MOU could provide for a cooperative approach to upgrading the City's communications technologies, which is desperately needed at this point; while doing everything possible to save taxpayer money over the long run so that we use limited resources efficiently and wisely.
- Thank you.